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April 18, 1997

RECORDATION NO. 20685 FILED

MAY 14 '97

1-00PM

RECORDATION NO. 20685-A, B FILED

MAY 14 '97

1-00PM

Secretary, Surface Transportation Board
Recordations Division
1201 Constitution Avenue
Washington, DC 20423

Dear Secretary:

I have enclosed an original and a certified true copy of the documents described below, to be recorded pursuant to Section 11303 or Title 49 of the U.S. Code:

Item One is an Equipment Lease Agreement from Linden Leasing, Inc. to Linden Lumber Co., Ltd. dated February 1, 1997.

Item Two is a Collateral Assignment of Rail Car Leases, described as Item One. The assignment is dated December 13, 1996. We request that this assignment be cross-indexed.

Item Three is a Rolling Stock Mortgage, Security Agreement and Assignment of Leases relating to the railcars which are leased pursuant to Item One and the Equipment Lease, which is Item One. The Rolling Stock Mortgage and Security Agreement and Assignment of Leases are dated December 13, 1996.

A description of the equipment covered by the aforementioned documents follows:

Used 100-Ton Steel Log Cars - 71'

OLD NO.

NEW NO.

TEMX 16

LOG X01

TEMX 28

LOG X02

BALCH & BINGHAM LLP

Surface Transportation Board

April 18, 1997

Page 2

| | |
|---------|---------|
| TEMX 26 | LOG X03 |
| TEMX 11 | LOG X04 |
| TEMX 30 | LOG X05 |
| TEMX 27 | LOG X06 |
| TEMX 13 | LOG X07 |
| TEMX 29 | LOG X08 |
| TEMX 21 | LOG X09 |
| TEMX 17 | LOG X10 |
| TEMX 25 | LOG X11 |

Used 100-Ton Steel Log Cars - 61'

| <u>OLD NO.</u> | <u>NEW NO.</u> |
|----------------|----------------|
| TEMX 12 | LOG X12 |
| TEMX 08 | LOG X13 |
| TEMX 09 | LOG X14 |
| TEMX 14 | LOG X15 |
| TEMX 15 | LOG X16 |
| TEMX 22 | LOG X17 |
| TEMX 19 | LOG X18 |
| TEMX 06 | LOG X19 |
| TEMX 20 | LOG X20 |
| TEMX 18 | LOG X21 |
| TEMX 10 | LOG X22 |
| TEMX 24 | LOG X23 |
| TEMX 07 | LOG X24 |
| TEMX 23 | LOG X25 |

The names and addresses of the parties to the documents are as follows:

Mortgagor/Assignor/Borrower:

Linden Leasing, Inc.
Highway 43 North
Linden, Alabama 36748

Lessee:

Linden Lumber Co., Ltd.
Highway 43 North
Linden, Alabama 36748

Mortgagee/Assignee/Creditor:

Compass Bank
15 South 20th Street
Birmingham, Alabama 35233

BALCH & BINGHAM LLP

Surface Transportation Board

April 18, 1997

Page 3

A fee of ~~\$200.00~~ ^{\$ 72.00} is enclosed. Please return the original and any extra copies not needed by the Board for recordation to Compass Bank, c/o William S. Wright, Balch & Bingham LLP, P. O. Box 306, Birmingham, Alabama 35201.

A short summary of the documents to appear in the index follows:

PRIMARY DOCUMENT

1. Rolling Stock Mortgage, Security Agreement and Assignment of Leases between Compass Bank, 15 South 20th Street, Birmingham, Alabama 35233, and Linden Leasing, Inc., Highway 43 North, Linden, Alabama 36748 dated December 13, 1996 and covering the following items and the Equipment Lease Agreement from Linden Leasing, Inc. to Linden Lumber Co., Ltd. dated February 1, 1997:

Used 100-Ton Steel Log Cars - 71'

| <u>OLD NO.</u> | <u>NEW NO.</u> |
|----------------|----------------|
| TEMX 16 | LOG X01 |
| TEMX 28 | LOG X02 |
| TEMX 26 | LOG X03 |
| TEMX 11 | LOG X04 |
| TEMX 30 | LOG X05 |
| TEMX 27 | LOG X06 |
| TEMX 13 | LOG X07 |
| TEMX 29 | LOG X08 |
| TEMX 21 | LOG X09 |
| TEMX 17 | LOG X10 |
| TEMX 25 | LOG X11 |

Used 100-Ton Steel Log Cars - 61'

| | |
|---------|---------|
| TEMX 12 | LOG X12 |
| TEMX 08 | LOG X13 |
| TEMX 09 | LOG X14 |
| TEMX 14 | LOG X15 |
| TEMX 15 | LOG X16 |
| TEMX 22 | LOG X17 |
| TEMX 19 | LOG X18 |
| TEMX 06 | LOG X19 |

BALCH & BINGHAM LLP

Surface Transportation Board

April 18, 1997

Page 4

| | |
|---------|---------|
| TEMX 20 | LOG X20 |
| TEMX 18 | LOG X21 |
| TEMX 10 | LOG X22 |
| TEMX 24 | LOG X23 |
| TEMX 07 | LOG X24 |
| TEMX 23 | LOG X25 |

2. Equipment Lease Agreement between Linden Leasing, Inc., Highway 43 North, Linden, Alabama 36748 and Linden Lumber Co., Ltd., Highway 43 North, Linden, Alabama 36748 dated February 1, 1997.

SECONDARY DOCUMENT

1. Collateral Assignment of Railcar Leases from Linden Leasing, Inc., Highway 43 North, Linden, Alabama 36748 to Compass Bank, 15 South 20th Street, Birmingham, Alabama 35233 dated December 13, 1996, connected to the Equipment Lease Agreement between Linden Leasing, Inc. and Linden Lumber Co., Ltd. and covering the following items and the aforesaid Equipment Leasing Agreement:

Used 100-Ton Steel Log Cars - 71'

| <u>OLD NO.</u> | <u>NEW NO.</u> |
|----------------|----------------|
| TEMX 16 | LOG X01 |
| TEMX 28 | LOG X02 |
| TEMX 26 | LOG X03 |
| TEMX 11 | LOG X04 |
| TEMX 30 | LOG X05 |
| TEMX 27 | LOG X06 |
| TEMX 13 | LOG X07 |
| TEMX 29 | LOG X08 |
| TEMX 21 | LOG X09 |
| TEMX 17 | LOG X10 |
| TEMX 25 | LOG X11 |

Used 100-Ton Steel Log Cars - 61'

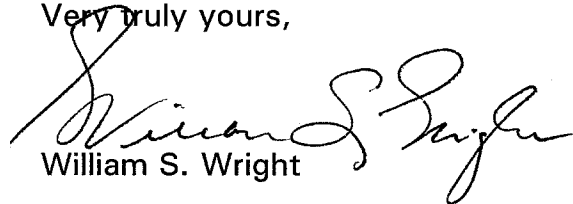
| | |
|---------|---------|
| TEMX 12 | LOG X12 |
| TEMX 08 | LOG X13 |

BALCH & BINGHAM LLP

Surface Transportation Board
April 18, 1997
Page 5

| | |
|---------|---------|
| TEMX 09 | LOG X14 |
| TEMX 14 | LOG X15 |
| TEMX 15 | LOG X16 |
| TEMX 22 | LOG X17 |
| TEMX 19 | LOG X18 |
| TEMX 06 | LOG X19 |
| TEMX 20 | LOG X20 |
| TEMX 18 | LOG X21 |
| TEMX 10 | LOG X22 |
| TEMX 24 | LOG X23 |
| TEMX 07 | LOG X24 |
| TEMX 23 | LOG X25 |

Very truly yours,



William S. Wright

WSW/bfa
Enclosures

STATE OF ALABAMA)
MARENGO COUNTY)

RECORDATION NO. 20685 FILED
MAY 14 '97 1-00PM

EQUIPMENT LEASE AGREEMENT

THIS LEASE made this 1st day of February 1, 1997 by and between Linden Lumber Co., Ltd. hereinafter referred to as "Lessee" and Linden Leasing, Inc., hereinafter referred to as "Lessor", said Lease Agreement to be retroactive and effective as of February 1, 1997.

WITNESSETH:

WHEREAS, Lessor has delivered to Lessee and Lessee has received the equipment described in Exhibit "A" attached hereto, made a part hereof and incorporated herein by reference and hereinafter referred to as "equipment":

IT IS THEREFORE AGREED that Lessee shall comply with the terms and stipulations of this Lease as follows:

1. Lessor hereby leases the equipment to Lessee for the term of twelve (12) months commencing February 1, 1997 and terminating January 31, 1998 both dates inclusive, unless said Lease is terminated as hereinafter provided.

2. Lessee has fully inspected said equipment and acknowledges that it is in good condition and repair and is satisfactory in all respects for the purposes of this Lease. The Lessor shall not be responsible for any latent defects in said equipment which have not been heretofore communicated to it in writing. Notwithstanding any written notification by Lessee to Lessor as to said defects

or objections to the equipment, Lessee has leased the equipment as it is and Lessee's obligations hereunder shall remain in full force and effect.

3. Lessee shall have the option to purchase said equipment from Lessor at a price equal to the fair market value of said equipment at the end of the initial term of this Lease.

4. Lessee shall pay the Lessor the sum of Fifteen Thousand (\$15,000.00) Dollars per month as rent for the use of said equipment, said rent to be paid in advance on the first day of each month. The first payment shall be due and payable on February 1, 1997, and the sum of Fifteen Thousand (\$15,000.00) Dollars shall be payable on the first day of each succeeding month until the last payment shall have been made.

5. Lessee shall use the equipment in a careful and proper manner solely in connection with the normal operation of a lumber company. Lessee shall not cause or permit the equipment to be affixed to the premises in such a way to become a fixture.

6. Lessee shall have possession of the equipment only during the term of the Lease, and title to the equipment shall be and remain in the Lessor at all times.

7. Lessee, at its sole expense, shall keep and maintain the equipment in good condition, shall make all repairs necessary for its preservation and shall provide any and all taxes and insurance due thereon. Lessee agrees to keep accurate and complete records of said repairs and maintenance to the

equipment and to allow the Lessor to inspect said records at any time during the normal business hours of the Lessee. In addition, if there should be any sales or rental tax imposed upon the Lessor by this Lease, then the monthly rental rate shall be increased by such an amount that after the payment of such tax, the Lessor shall receive a net rental of Fifteen Thousand (\$15,000.00) Dollars per month.

8. Lessee hereby assumes and shall bear the entire risk of loss of, theft of, damage to, or destruction of said equipment from any cause whatsoever; and no such loss, theft, damage or destruction of said equipment, or any portion thereof, shall relieve from its obligation to pay rent or to perform any other obligation under this Lease. In the event of any loss of, theft of, damage to, or destruction of said equipment or portion thereof, Lessee shall give Lessor prompt notice and thereafter shall place said equipment, or portion thereof, in good repair, condition, and working order. Provided, however, that in the event that any such equipment or portion thereof is determined by the Lessor to be lost, stolen, destroyed or damaged beyond repair, Lessee, at the Lessor's option, shall

(a) replace such equipment, or portion thereof, with like equipment, in good repair, condition and working order and transfer clear title to such replacement to Lessor, or

(b) pay, no later than the due date of the next following installment of rent, an amount equal to the total of rents due at the time of such payment plus an amount calculated by the Lessor which is shall be equal to the present

value of all rents and other amounts payable by the Lessee hereunder from the date of such payment to the date of expiration of the term of the Lease, calculated at a discount of six percent (6%) per annum, plus the estimated fair market value of said equipment, or portion thereof, as of the end of the initial lease term said amount to be calculated as though such loss had not occurred.

9. Lessee shall procure and continuously maintain and pay for all risk insurance against loss of or damage to the equipment from any cause whatsoever for an amount not less than the full replacement value thereof naming the Lessor as loss payee and shall further maintain combined public liability and property damage insurance with a single limit of not less than Five Hundred Thousand Dollars (\$500,000.00) naming Lessor as an additional named insured. All such insurance shall be in a form and with companies acceptable to the Lessor and shall provide at least ten (10) days advance written notice to the Lessor of cancellation, change or modification in any term, condition or amount of protection provided therein. Lessee shall provide Lessor with proof of said insurance.

10. Lessee shall not pledge, lend or grant a security interest in, sublet or part with the possession of the equipment, or attempt in any other manner to dispose thereof or remove said equipment from the present office address of Lessee, or suffer any liens or legal process to be incurred or levied thereon.

11. Lessor, or his agent, may at any time enter the Lessee's premises for the purposes of inspecting said equipment and the manner in which it is being used; provided, however, Lessor shall not in any way interfere with the normal operation of Lessee's business.

12. Upon termination of this Lease, Lessee shall return said equipment, at Lessee's expense, to Lessor in as good of condition as when received, reasonable wear and tear excepted.

13. Upon default of the payment of any installment of rent, or upon a breach of any other condition of this Lease to be performed or observed by Lessee, or if during the term of this Lease, bankruptcy or insolvency proceedings are commenced by or against Lessee or if a receiver is appointed for the business of Lessee, or if Lessee discontinues its business office address, Lessor shall have the right, without notice or demand, to terminate this Lease, but such termination shall not release Lessee from the payment of damages sustained by Lessor. If upon any termination of this Lease, Lessee fails or refuses forthwith to deliver the equipment to Lessor, Lessor shall have the right to enter Lessee's premises, or any other premises where the equipment may be found and to take possession of and remove the equipment. Lessor shall not be prejudiced from pursuing any other remedy to which it otherwise may be entitled on account of arrearages in rent or breach of any other condition of this Lease.

14. If requested by Lessor, Lessee shall execute, acknowledge, deliver to Lessor, record and file such documents as Lessor shall deem necessary or desirable to protect its interest in this Lease and the equipment.

15. No covenant or condition of this Lease can be waived except by the written consent of Lessor. Forbearance or indulgence by Lessor with regard to any breach hereunder shall not constitute a waiver of the related covenant or condition to be performed by the Lessee.

16. This instrument constitutes the entire agreement between Lessor and Lessee and shall not be amended, altered or changed except by a written agreement signed by the parties hereto. Lessor's execution of this agreement and any other documents and showings contemplated hereby shall be valid only when executed by Lessor's duly authorized representative.

17. This Lease shall be governed by and construed in accordance with the laws of the State of Alabama.

18. In the event that any provision hereof shall be declared invalid, such provision shall be deemed severable from the remaining provisions of this Lease and said Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the said Linden Leasing, Inc. has caused this Lease to be executed for and on its behalf by Hugh V. Overmyer, as its President and its seal affixed hereto and attested by Hugh V. Overmyer, as its Secretary, and the said Linden Lumber Co., Ltd., has caused this Lease to be executed for and on its behalf by Donald H. Overmyer, Jr., as its President,

and its seal affixed hereto and attested by Terry Dunnam, as its Secretary, on the day and year first above written.

LINDEN LEASING, INC.

SEAL

By: Hazel V. Overmyer
Its President

ATTEST:

LESSOR

Hazel V. Overmyer
Its Secretary

LINDEN LUMBER CO., LTD.

SEAL

By: Don Overmyer
Its President

ATTEST:

LESSEE

Terry Dunnam
Its Secretary

STATE OF ALABAMA)
JEFFERSON COUNTY)

I hereby certify that I am counsel to Compass Bank and that this document is a true and accurate photocopy of the Equipment Lease Agreement between Linden Lumber Co., Ltd. and Linden Leasing, Inc. dated February 1, 1997.

BALCH & BINGHAM, LLP

By: William S. Wright
William S. Wright

Sworn to and subscribed before me this
18th day of April, 1997.

Brenda J. Allen
Notary Public
My commission expires 1/15/2000

EXHIBIT "A"

EQUIPMENT

1. 25 used 100-ton all steel railroad log cars - Car numbers LOGX 06, LOGX 09, LOGX 20, LOGX 21 LOGX 23, LOGX 01, LOGX 13, LOGX 14, LOGX 19, LOGX 08, LOGX 10, LOGX 11, LOGX 22, LOGX 03, LOGX 18, LOGX 24, LOGX 25, LOGX 07, LOGX 12, LOGX 15, LOGX 17, LOGX2, LOGX 04, LOGX 05, LOGX 16.